## FOR IMMEDIATE RELEASE

## Statement of Ranking Member Bennie G. Thompson

## Homeland Security Contracting: Does the Department Effectively Leverage Emerging Technologies

July 15, 2011 (Washington) – Today, Committee on Homeland Security Ranking Member Bennie G. Thompson (D-MS) delivered the following prepared remarks for the Oversight, Investigations, and Management subcommittee hearing entitled "Homeland Security Contracting: Does the Department Effectively Leverage Emerging Technologies":

"In Fiscal Year 2010, the Department spent more than \$13 billion on more than 88,000 procurement actions. While the vast majority of these were subject to traditional rules and regulations governing Federal contracts, some were not.

The Homeland Security Act of 2002 granted the Department's Science and Technology Directorate, or S&T, with the ability to use "Other Transaction" authority, or OTA. In FY 2010, S&T spent over \$11 million on just ten transactions using this special authority.

What troubles me about OTA is that Federal rules and laws that were created to protect businesses, taxpayers and the Federal government from waste, fraud and abuse do not apply.

Most notably, the Federal Acquisition Regulation or FAR, which serves as the benchmark for how the Federal Government does business and ensures integrity, fairness and openness is non-existent. The same is true for the Anti-Kickback Act, the Small Business Act, the Procurement Integrity Act and Buy America, to name a few.

While the freedoms associated with OTA may attract more businesses to S&T, it also carries significant risks for the Federal government that may outweigh its benefit.

The September 2011 expiration date for the Department's ability to use OTA is just two months away; I will therefore use this hearing, along with additional oversight by the Committee, to determine where I will stand on this sunset.

I am also concerned about both the Management and S&T budgets that the Republican-Majority recently passed in the House in the form of H.R. 1.

H.R. 1 will slash S&T's budget by 61% below the President's FY 2012 request and 42% below the FY 2011 levels. The damage done by these cuts will set have a significant impact on S&T and perpetuates the Majority's insistence that the Department adequately fulfill its mission with inadequate funding. I look forward to hearing from the witnesses on the impact of these cuts.

Lastly, in the 111th Congress, the House passed an S&T Authorization bill introduced by my colleague, Congresswoman Clarke from New York. This bill strengthened S&T policies, especially its acquisition framework, and I look forward to receiving bipartisan support in making that bill law."

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FOR MORE INFORMATION: Please contact Adam Comis at (202) 225-9978